

13 Feb 1946 2

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Set #2

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GENERAL

1. **EMERGENCY UNO CONFERENCE:** FAO Director Orr proposes an early conference of responsible ministers to plan mobilization of world resources to meet the forecast 1946-1947 food crisis. State and Agriculture Departments concur. These Departments oppose any ad hoc arrangements for 1945-1946 as they feel existing agencies can do the job.
2. **UNRRA CONFERENCE MARCH 15:** The UNRRA Council meeting at Atlantic City is expected to discuss measures for alleviating the world food shortage, cessation of UNRRA operations, and the handling of refugees absent from their countries by the end of 1946.
3. **FOOD SHORTAGE-INDIA:** The India Food Delegation now in London for consultation will shortly come to Washington to confer with the combined Food Board. CFS representative says every effort is being made to provide Indians and other undernourished peoples with food.
4. **REFUGEE RESOLUTION APPROVED:** The UNO today, despite Soviet opposition, adopted the UN-UK sponsored refugee resolution forbidding enforced repatriation and recommending the establishment of a committee to examine the problem.

OPERATING FUNDS: Pending formal adoption of a budget UNO will be given \$20,000,000 of which \$6,153,500 will be contributed by the US.

EUROPE-AFRICA

1. **URSS:** Marshall Zhukov, recently elected to the Supreme Soviet, may also be elected to its Praesidium. This would require him to leave Berlin for full time duties in Moscow.
2. **AUSTRIA:** Proposed Exchange of Representatives with Neighboring States--Austria's request for permission to accredit representatives to Czechoslovakia, Hungary, Italy, Switzerland and Yugoslavia is acceptable to the quadripartite political division, Allied Council, Vienna, provided such action is bilateral. The division will recommend approval by the Allied Council and also recommend that representation of any nation in Austria be limited to one type of mission, either military or political. The Soviets approve Austria's request, provided no exchange is permitted with Germany or Japan.

DIA, OSD, DOS review(s) completed.

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Reduction of Soviet Forces Urged--Embassy Moscow has repeated its request of 24 January to the Soviet Government that the Soviet Commander in Vienna be authorized to discuss reduction of Allied occupation forces.

Soviet Views on Danube Steamship Company--The Soviet member of Allied Council Austria remains adamant in the face of vigorous US assertions that the Danube Steamship Company is an Austrian, rather than a German asset and that no unilateral action should be taken concerning it. The Soviet member is clearly acting on Moscow's instructions in insisting that the company is German property. The Council closed its discussion with statements by the UK and French members that they would refer the matter to their respective Governments.

3. BULGARIA: Reparations Suspended--The Soviet member of ACC advises that food reparations cannot now be sent Yugoslavia or Greece because of shortages. Vyshinski will be told that the US regards this as non-fulfillment of the armistice. The US ACC member will request copies of trade agreements and a report of commodity deliveries made since the armistice.
4. YUGOSLAVIA: Anti-US Campaign Continues--Three US jeeps near the Embassy were confiscated by police after breaking padlocks in the presence of US naval and diplomatic representatives. Violation of parking rules was charged; but these rules were to be effective only on the next day. The Ambassador is making a strong protest. Meanwhile, AFHQ has instructed the US Military Attaché not to surrender without AFHQ's permission a US soldier charged with killing a Soviet NCO in Belgrade.
5. ITALY: Venezia Giulia Elections Protested--Premier de Gasperi has protested to the Allied Council Italy over last November's elections in Yugoslav-occupied Venezia Giulia. He charges the Yugoslavs with using the occasion for political demonstrations for annexation to Yugoslavia, conducting the elections without safeguards for free voting, intimidating the Italian residents and altering the election results. The local "Assembly" elected a "Regional Popular Committee of Istria" which asserted the unanimous will of the Istrian population to be in favor of entering the Federal Yugoslav Republic.
6. FRANCE: The French Foreign Office will order confiscation of any Pan-American plane that lands at Marseille without French Government authorization. The French have disapproved Panama's proposed \$295 New York-Marseille rate. Under the provisional Air Transport Agreement, mutual agreement on rates must be reached before operations can begin.

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Diplomatic relations with Spain will not be recovered by France without parallel action by the US and UK, according to the semi-official Foreign Office Newspaper.

WAR EAST

1. CHINA: Chinese Admit Discussion With USSR on Manchuria--A high Chinese official acknowledges that talks are under way. He declares that the Soviets are being opportunistic and consider Manchurian industries as war booty. He denies that China has asked Soviet forces to remain in Manchuria beyond 1 February. Foreign Minister Soong has seen the Soviet Ambassador twice in the past ten days.

Chiang Orders Civil Liberties restored--The Supreme National Defense Council has approved the repeal or amendment of all regulations restricting Chinese civil rights. Final action rests with the enforcement authorities.

2. INDIA: Martial law in Calcutta--The British imposed martial law in Calcutta yesterday following Moslem-led riots protesting Indian National Army trials. The rioting is on a larger scale than in November, according to Gen. Terry, who reports 4 US army personnel injured.

Moslem revolt threatened--Jinnah, head of the Moslem League, has told the press that the Moslems intend to revolt if the British fail to provide for "Pakistan", a sovereign Moslem State embracing six northern provinces of India. He opposed the British plan to call a single Constitution-making body for a free and unified India.

3. KOREA: Gen. Hodges has requested US backing in urging Soviet agreement on freedom of expression before an attempt is made to form an interim Korean government. He is prepared to postpone interim government considerations until a satisfactory solution is reached.

Gen. Hodges has been given authority by State and JCS to release a more detailed account of the Seoul Conference should he consider publicity at present undesirable, he is authorized to prepare a factual recital of US efforts to obtain Soviet consent to remove zone barriers, for release when USSR publicity or public opinion here dictates.

THE AMERICAS

1. ARGENTINA: Reaction to "Blue Book"--Embassy Buenos Aires reports that the Argentine Foreign Office is considerably agitated over the US "Blue Book" on Argentine-Nazi collaboration.

The Venezuelan Foreign Minister believes that the Argentine people will now repudiate pro-Nazi leaders. Widespread publicity is being given to the document in Bolivia--whose present Government is substantially the same as that which the "Blue Book" states to have come into power in 1943 with Argentine-Nazi backing.

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2. CHILE: The critical coal shortage is creating a dangerous situation which may result in the Army and Navy taking over the mines. Embassy Santiago urges that the US endeavor to obtain coal for Chile from Peru.
3. BRAZIL: Ambassador Martins is not on good terms with the new Foreign Minister, who has been told Martins is pro-Vargas. Martins will continue at his post in Washington for the time being.
4. CANADA: A \$100,000,000 loan to Netherlands was announced yesterday by the Canadian Finance Ministry.

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